

1
2
3
4
5
6
7
8 **UNITED STATES DISTRICT COURT**
9 **SOUTHERN DISTRICT OF CALIFORNIA**

10 TEXTRON FINANCIAL CORP.,

11 Plaintiff,

12 vs.

13 MICHAEL S. GALLEGOS,

14 Defendant.

CASE NO. 15cv1678-LAB (AGS)

**ORDER RE: EX PARTE APPLICATION
FOR RELIEF [Dkt. 302]**


15 Last week, the Court ordered Michael Gallegos to turn over stock certificates to four
16 companies. The Court also restrained Gallegos from “moving any funds” from the accounts
17 connected with those four companies until he complied. Gallegos deposited one stock
18 certificate with the US Marshal along with a letter representing he didn’t have stock
19 certificates for the other three companies. Gallegos now asks the Court to lift the portion of
20 the order that restrained him from moving any funds from the accounts in the four companies
21 because he says it’s interfering with one of his hotel’s ability to conduct business.

22 To be clear, the order restricted Gallegos from moving funds—it didn’t restrict the
23 hotel from carrying on its business. As Gallegos points out, the funds in these accounts “are
24 not owned or controlled” by him. [Dkt. 302 at 4, 8.] The order was crafted to preserve the
25 value of Gallegos’s stock certificates, not to interfere with hotel business. Since Gallegos
26 has complied with the order, and Spe Lo’s failed to file an opposition within two days (see
27 Standing Order § 8), the portion of the order at Dkt. 300 restraining Gallegos from moving
28 funds in the four accounts is lifted.

1 Gallegos also asks the Court to return his stock certificate for Union City Hotel
2 Management Corporation because that company is “merely an agent for the owners of
3 DoubleTree” and “another stockholder owns 50% of the shares.” [Dkt. 302 at 1.] But the
4 stock certificate is owned by Gallegos. And “all property of the judgment debtor is subject to
5 enforcement of a money judgment.” Cal. Civ. Proc. Code § 695.010. Gallegos hasn’t made
6 the case why Union City’s status as an agent, or the shares owned by another stockholder,
7 have any bearing on Spe Lo’s right to collect on its \$22 million judgment against Gallegos
8 by seizing his stock. Gallegos’s motion to have his stock certificate returned is denied.

9 **IT IS SO ORDERED.**

10 Dated: February 2, 2018

11 
12 **HONORABLE LARRY ALAN BURNS**
13 United States District Judge
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28